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Federal Communication Commission  
Bureau/Office

Walter V. Purnell, Jr.  
President and CEO

January 15, 2002

The Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

RE: Nextel White Paper on the 800 MHz Band  
~~-ET Docket Nos. 00-258 and 95-18~~  
~~IB Docket No. 99-81~~  
~~WT Docket No. 99-87~~

Dear Mr. Chairman:

I am writing to express Motient Communications Inc.'s ("Motient") grave concern regarding the proposals to realign the 800 MHz band as submitted by Nextel Communications.<sup>1</sup> While reduction of interference to public safety is a noble effort, we believe Nextel has failed to recognize the catastrophic effects its plan would have on displaced users of the 800 MHz band. Incredibly, Nextel's plan fails to address Motient and how the needs of its 250,000 customers will be met while essentially requiring Motient to pay the price – a very steep price – for the interference sins of others. I urge you to ensure that Motient, a leading provider of wireless data services, is not haphazardly disrupted from providing service to the public. Any relocation from the 800 MHz band, if found to be in the public interest, must not only be funded by the commercial entities that are receiving the benefit of such a relocation, but also must ensure that displaced incumbents receive fully comparable facilities and spectrum in accordance with well-established Commission precedents for accommodating relocated services.

<sup>1</sup> *Promoting Public Safety Communications: Realigning the 800 MHz Land Mobile Radio Band To Rectify Commercial Mobile – Public Safety Interference And Allocate Additional Spectrum To Meet Critical Public Safety Needs*, Nextel Communications, Inc., ET Docket Nos. 00-258 and 95-18, IB Docket No. 99-81, WT Docket No. 99-87 (submitted November 21, 2001, *Nextel White Paper*).

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Motient is a leading provider of wireless data services throughout the United States and Puerto Rico and has coverage in 99 percent of cities with population greater than 50,000 people. Motient provides commercial wireless services to users of the Palm V and the RIM handheld devices as well as to business workgroups through other wireless devices. Our system operates solely in the 800 MHz band and utilizes more than 2,260 base stations to provide nationwide service to 250,000 subscribers. Motient principally utilizes 800 MHz Business pool frequencies but has also spent \$3.4 million to acquire 35 licenses in the FCC's auction of 800 MHz General Category and Lower 80 SMR channels. In all, Motient has invested more than \$500 million in 800 MHz infrastructure equipment. Motient is a great success story of innovative use of the electromagnetic spectrum and is one of the few small competitors to the large CMRS providers. The disruption to Motient during any such relocation would be equally matched by the disruption faced by our customers. UPS, for example, relies on our network to track the progress of their packages. Any disruption in this service would be devastating to their ability to meet their customers' needs and would be resisted vigorously by UPS. Our customers rely on our constant availability to perform critical business functions and if we could not continue to guarantee this type of reliability, it would destroy our ability to compete on the basis of our key attributes, coverage and reliability.

Motient understands from the *Nextel White Paper* and from the Commission-sponsored "Best Practices Guide" for CMRS/Public Safety operations in the 800 MHz band that there is an increasing level of interference between Nextel and certain cellular carriers and public safety operations. However, Motient is not a source of harmful interference to public safety operations in the 800 MHz band, despite use of adjacent channel frequencies in some instances. Motient submits that it makes no public policy sense to require it to fund relocation or realignment of its licensed spectrum, especially licenses purchased just recently through the Commission's auction process, when Motient is not a source of interference to public safety operations. In fact, Motient has provided wireless packet-based services that have proved vital to public safety in times of emergency, such as occurred following September 11, 2001.<sup>2</sup>

Contrary to its assertions that no private radio or commercial licensee would experience a net gain or loss of spectrum, the Nextel plan also does not provide a clear picture of what spectrum would be available for displaced carriers.<sup>3</sup> Nextel offers its 700 MHz and 900 MHz spectrum holdings; however, it does not appear that Motient can replicate its existing 800 MHz footprint in either of those two bands. For example, Nextel does not have a nationwide footprint for the 700 MHz band. A study of the 700 MHz Guard Band auction results shows that Nextel has coverage holes in significant population centers, such as New Orleans, Wichita, Spokane, Louisville, Little

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<sup>2</sup> See e.g., "The Right Connections; The Simple BlackBerry Allowed Contact When Phones Failed," *New York Times*, (September 20, 2001); "Tech firms step into the breach after terrorist acts." ; *Potomac Tech Journal*, (September 17, 2001).

<sup>3</sup> See *Nextel White Paper* at 30.

Rock, El Paso, and Omaha. Of even greater concern, the 700 MHz band is encumbered throughout the country with analog TV stations until at least December 31, 2006. Therefore, Nextel's 700 MHz holdings hold little opportunity for displaced licensees until *at least* 2007.

Relocating displaced 800 MHz systems onto Nextel's 900 MHz SMR spectrum also presents substantial problems. First, the technical specifications for the 900 MHz band are considerably different from the 800 MHz band, meaning that Motient will not be able to simply retune its existing infrastructure equipment to operate on new frequencies. Also, Motient is concerned that the smaller bandwidth channels available at 900 MHz will not allow us to replicate the data speeds that we now offer on our 800 MHz system. Certainly a diminished data speed would have a devastating impact for our products and services. Finally, we note that Nextel has not even articulated what 900 MHz licenses and spectrum it would make available for relocation. Thus, neither Motient nor the FCC can accurately assess whether a nationwide footprint would be available.

The Commission has consistently required that licensees who are relocated from their licensed spectrum will receive compensation and comparable facilities. In the initiation of Personal Communications Service, Mobile Satellite Service, and the upper 200 channel 800 MHz SMR band, dislodged licensees all received compensation for their costs associated with relocation and comparable spectrum for their services.<sup>4</sup> Unfortunately, Nextel brazenly believes that small, scattered spectrum blocks are comparable to a contiguous block of spectrum that has well established and developed equipment readily available for use. Further, it seemingly believes that licensees, who are neither the source of interference nor otherwise requiring relocation, should foot the bill for eradicating what appears to be a significant concern for Nextel and cellular carriers. It is absurd to believe that the Commission, given its past precedents for relocation, would even consider such a proposal.

Motient cannot afford to expend funds necessary to relocate its operations from the 800 MHz band to piecemeal spectrum locations in the 700 MHz, 800 MHz, and 900 MHz bands. Undoubtedly, subscriber equipment and devices would have to be completely overhauled and recreated to handle three different operating bands. All of the more than 250,000 subscriber units would have to be recalled and replaced. Each of the more than 2,200 base stations employed by Motient would have to be reengineered to include base station transmitters for 700 MHz frequencies, new 800 MHz frequencies, and 900 MHz frequencies. Obviously, these changes will be extremely costly and time consuming and will likely result in substantial

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<sup>4</sup> See e.g., *Redevelopment of Spectrum to Encourage Innovation in the Use of New Telecommunications Technologies*, ET Docket No. 92-9, *First Report and Order and Third Notice of Proposed Rule Making*, 7 FCC Rcd 6886 (1992); *Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHz for Use by the Mobile-Satellite Service*, ET Docket No. 95-18, *First Report and Order and Further Notice of Proposed Rule Making*, 12 FCC Rcd 7388 at ¶ 42; *Amendment of Part 90 of the Commission's Rules to Facilitate Future Development of SMR Systems in the 800 MHz Frequency Band*, PR Docket No. 93-144, *First Report and Order, Eighth Report and Order, and Second Further Notice of Proposed Rule Making*, 11 FCC Rcd 1463, 1525, at ¶ 74.

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increases in cost of subscriber and base station equipment. In addition, the disruption to Motient's business that would flow from any such relocation will almost certainly have a negative effect on subscriber levels, revenue growth, and profits. The long-term effect of such disruption would be considerable and the cost of replacing subscriber equipment and network infrastructure would be in excess of \$400 million.

Motient recently filed a pre-negotiated plan of reorganization to restructure its corporate debt. Because we have the support of a majority of our bondholders, we plan to emerge within the next four months with the company finally being in a solid financial position. Especially under these circumstances, to impose enormous displacement costs on Motient is irresponsible and unsound public policy.

Motient understands and supports the Commission's efforts to study and rectify the apparent interference problems faced by the public safety industry from Nextel and cellular licensees. However, the current Nextel proposal is an extremely one-sided vision of the 800 MHz band. Motient, who has expended enormous resources in building out wireless service and in purchasing licenses in good faith through the Commission's auction process, cannot support this plan. If the Commission proceeds to launch a proceeding to consider the Nextel plan, it must make every effort to support Motient and other similarly situated entities by providing for proper relocation spectrum and funding. Any other result would clearly not be in the public interest and would be devastating to Motient's business. I urge you to carefully consider the plight of Motient as you proceed with consideration of the Nextel proposal.

Sincerely,



Walter V. Purnell, Jr.

cc: The Honorable Kathleen Abernathy  
The Honorable Kevin Martin  
The Honorable Michael Copps  
Mr. Peter Tenhula  
Mr. Bryan Tramont  
Ms. Monica DeSai  
Mr. Paul Margie  
Mr. Thomas Sugrue  
Ms. Kathleen O'Brien-Ham  
Mr. Barry Ohlsen  
Mr. Michael Wilhelm